

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1632-01  
Bill No.: HB 724  
Subject: Mental Health; Mental Health Department  
Type: Original  
Date: March 15, 2013

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Bill Summary: This proposal changes the safety requirements for mental health facilities.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
General Revenue	Unknown, less than \$100,000	Unknown, less than \$100,000	Unknown, less than \$100,000
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>Unknown, less than \$100,000</b>	<b>Unknown, less than \$100,000</b>	<b>Unknown, less than \$100,000</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Mental Health (DMH)** state using advanced practice registered nurses (APRNs) to order seclusion and restraint when needed during evenings and weekends will result in a savings compared to the cost of using a psychiatrist for that same purpose. The number of times when this will be used is unknown. Therefore, the savings are unknown, less than \$100,000. Also, using APRNs for those purposes gives the DMH facilities more timely access to mental health professionals capable of ordering seclusion and restraint, therefore, better ensuring facility compliance with national accreditation and certification standards.

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
<b>GENERAL REVENUE FUND</b>			
<u>Savings - DMH</u>			
Reduction in wages and benefits paid to psychiatrists	<u>Unknown, less than \$100,000</u>	<u>Unknown, less than \$100,000</u>	<u>Unknown, less than \$100,000</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>Unknown, less than \$100,000</u></b>	<b><u>Unknown, less than \$100,000</u></b>	<b><u>Unknown, less than \$100,000</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

HWC:LR:OD

### FISCAL DESCRIPTION

Under current law, physical or chemical restraints, isolation, or seclusion cannot be used on patients, residents or clients of a mental health facility or mental health program unless it is determined by the head of the facility or the attending licensed physician that it is necessary to protect the health and safety of the individual or others and that it provides the least restrictive environment. This proposal allows such orders to also be made by the attending advanced practice registered nurse in a collaborative practice arrangement with the attending licensed physician.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Insurance, Financial Institutions,  
and Professional Registration  
Department of Mental Health



Ross Strobe  
Acting Director  
March 15, 2013